

Alabama Alcoholic Beverage Control Board
Information Technology
Request for Proposals (RFP)
Point of Sale and Enterprise Resource Planning System (POS/ERP)

Expected RFP Schedule Summary

Posting Date	April 1, 2016
Questions Due	April 13, 2016
Answers Posted	April 20, 2016
Proposals Due	May 2, 2016
Demonstrations/Presentations for Finalists (if needed)	May 23-25, 2016
Site Visits (if needed)	TBD
Anticipated Selection Notification	May 31, 2016
Contract Negotiations	June, 2016
Review by Legislative Council	August 4, 2016
Contract Execution	September 2, 2016
Project Start Date	October 3, 2016

Location of Response Opening:
Alabama ABC Board
2715 Gunter Park Drive West
Montgomery, AL 36109

Table of Contents

Section	Page
Table of Contents	1
1. Overview and Purpose	3
2. Deadline, Format of Responses, and Rules Governing Responses and Evaluation of Proposals	4
2.1 Deadline	4
2.2 Format	4
2.3 State’s Vendor Registry	4
2.4 Single Point of Contact	4
2.6 Question and Answer Period	5
2.7 Demonstration/Presentation	5
2.8 Confidentiality	5
2.9 Method of Award	5
2.10 Evaluation Criteria	5
3. Project Goals, Statement of Need and Statement of Work	7
4. About the AABC	9
Product Management Division	9
Licensing and Compliance Division	10
Audit Division	11
Accounting Division	11
5. Overview of Current AABC Functional and Technical Environment	13
Additional Technical Details:	15
6. Scope of Work	16
7. Offeror Response Content and Format	23
8. Terms and Conditions	32
8.1 Contract Requirements	32
8.2 Ownership of Data	32
8.3 Quality	32
8.4 Cost of Preparation	32
8.5 Invoicing	33
8.6 Retainage	33
8.7 Confidentiality	33
8.8 Cancellation and Exceptions to Terms and Conditions	33
8.9 Review by Legislative Committee	33
8.10 Indemnification	34
8.11 Location of Work	34
8.12 Staffing	34

8.13	Statement of Rights	34
8.14	Taxes	35
8.15	Order of Precedence	35
8.16	Specification Change.....	35
8.17	Amendments	35
8.18	Non Collusion	35
8.19	Business Registration.....	35
8.20	Contract Negotiation.....	35
8.21	Software License and Maintenance Agreement Requirements.....	36
9.	Definitions	37
10.	List of Appendices	39

1. Overview and Purpose

The State of Alabama Alcoholic Beverage Control Board (AABC) is issuing this request for proposals (RFP) for a Point of Sale/Enterprise Resource Planning (POS/ERP) software solution. The AABC intends to enter into a firm fixed price, deliverables based contract for design, development, and deployment of an information technology system that will allow the AABC to fulfill all of its point of sale, product management, warehouse management, distribution, audit, and accounting obligations under the Code of Alabama, Title 28. The solution must be capable of processing and managing these functions for the central office, warehouse, wholesale, and retail entities under AABC.

The solution requested should be a hosted solution and must include: all necessary hardware and infrastructure needed to host the application, all software licenses required to operate the software (including reporting needs); procedures manuals for use of the system once implemented; professional services to design, configure, develop, and deploy the system; and materials to train AABC staff on use of the solution. All costs should be quoted in Appendix B.

2. Deadline, Format of Responses, and Rules Governing Responses and Evaluation of Proposals

2.1 Deadline

Responses to this RFP are due and must be received by the AABC by 5:00 PM, Central Daylight Savings Time on May 2, 2016. Responses received after that date and time will be returned to the respondent. Responses must be submitted in electronic format to Pam Dennis at pam.dennis@abc.alabama.gov and hard copies submitted by FedEx or UPS to Pam Dennis at the following address:

Alabama ABC Board
2715 Gunter Park Drive West
Montgomery, AL 36109

2.2 Format

Please provide your response according to the following format:

1. Two printed, bound paper copies of responses to all Tabs as noted in Section 7, Offeror Response Content and Format. The only exception is Tab H, Functional and Technical Requirements; this tab should be submitted electronically only.
2. Two electronic copies of the Technical Response according to the following format:
 - a. All narrative responses must be made in Microsoft Word file format 2010-2013.
 - b. Responses to Tab H, Appendix A (Functional and Technical Requirements) must be electronic versions only in Microsoft Excel format version 2010-2013.
 - c. Responses to Tab I, Appendix B, Cost Proposal must be electronic versions in Microsoft Excel format version 2010-2013 as well as a printed version in Tab I.

All electronic copies must be transmitted by USB flash drive.

2.3 State's Vendor Registry

All respondents to this RFP must be registered with the Alabama Department of Finance, Division of Purchasing in order to enter into any contract with AABC. Information about registration may be obtained at this web address: <https://procurement.staars.alabama.gov>

2.4 Single Point of Contact

All communications concerning this RFP are to be addressed in writing to the attention of Pam Dennis, Alabama Alcoholic Beverage Control Board, the sole contact for this proposal. Please send communications to pam.dennis@abc.alabama.gov. The AABC will advise Offerors if the single point of contact changes.

2.6 Question and Answer Period

Any Offeror requiring clarification of any section of this RFP must submit specific questions in writing no later than 5:00 PM Central Time on April 13, 2016. Questions should be submitted to Pam Dennis at pam.dennis@abc.alabama.gov.

2.7 Demonstration/Presentation

The AABC may ask finalists to answer questions and possibly demonstrate some features to the AABC. It is anticipated that these sessions will be conducted May 23-25, 2016. Offerors will be required to provide an audio and video conferencing method for these sessions. Offerors will not be required to be on-site but may choose to do so at their own expense.

2.8 Confidentiality

Responses to this RFP will become a matter of public record. Offerors deeming portions of as proprietary and/or confidential must include a separate copy of their offer as Tab L, Redacted Copy of Submittal/Offer pursuant to Code of Alabama Section 36-12-40. The respondent must identify each page or section of the response that it believes is proprietary and confidential with sufficient grounds to justify each exemption from release, including the prospective harm to the competitive position of the respondent if the identified material were to be released. Under no circumstances can the entire response or price information be marked confidential. Responses so marked may not be considered.

2.9 Method of Award

Awards will be made in "the best interest of the State of Alabama". The State may award one or more contracts and reserves the right to make additional awards to other compliant respondents at any time during the first year of the contract if such award is deemed to be in the best interest of the State. All other considerations being equal, preference will be given to resident respondents of the State and/or to products raised or manufactured in the State.

2.10 Evaluation Criteria

The AABC will evaluate proposals according to the following criteria.

Evaluation Factors	Total Points for This Criterion
Level of Fit with Functional and Technical Requirements (Essential, Conditional and Optional requirements will all be ranked separately, i.e., a total number of points will be assigned for Essential, a separate total for Conditional and a third total for Optional.)	30%
Completeness of Technical Response	15%
Proposed Project Approach	15%
Experience, Staffing, Financial Strength, References	20%

Evaluation Factors	Total Points for This Criterion
Cost (as detailed in Appendix B)	<i>20%</i>
Minimum requirements of proposal met, complete response to requirements of this RFP, adherence to mandatory requirements (i.e., submission in specified number of copies and format, responses to all required RFP sections and attachments)	<i>Pass/Fail</i>

3. Project Goals, Statement of Need and Statement of Work

The AABC is seeking proposals to replace its current POS/ERP system. The AABC plans to replace the following existing systems:

- ERP: The AABC's primary financial, retail, and wholesale and warehouse management IT system is Microsoft Dynamics NAVision (NAV 2009 R2, version 6.00.34105). NAVision is currently hosted on a Dell Power Edge server at the AABC headquarters.
- POS: The current AABC POS system is SAP POS version 10.3.

When considering the replacement of one or more of these systems, respondents must keep in mind the following considerations:

- Any proposed solution must operate in a Microsoft Windows-based environment.
- All solution components must be compatible with each other. This is true of all solution databases, software or programming language, and middleware.
- The AABC desires a subscription-based service or software as a service (SaaS) model.
- The AABC requires that a warehouse management system be an integrated part of any ERP solution.
- All data hosted by or contained within the system is the property of the AABC.
- The solution must be hosted in the United States and the vendor primary and backup sites must be geographically diverse locations within the United States.

The current functional environment is described in the Current Environment Report, (Appendix G). The Current Environment Report (CER) provides descriptions of business processes of the AABC that are related to sale of liquor. Offerors are encouraged to familiarize themselves and the business process portions of the Current Environment Report (Appendix G). Please note that the report is two years old and some business process changes have occurred but the document will describe accurately the bulk of AABC operations. Also note that the server inventory and network diagrams of the Current Environment Report are updated in Appendix D.

The current system is plagued by a number of inefficiencies and bottlenecks. In addition to business process inefficiencies, there are a number of system integration issues that should be addressed and eliminated by a new solution. The AABC plans to eliminate issues such as these with a modern, integrated system that provides electronic workflows for AABC staff while providing greater public access to information and documents.

The goal of this RFP is to procure a commercial off the shelf (COTS) or customized or configured solution to accomplish, at a minimum, all essential functionality as stated in the Functional and Technical requirements in Appendix A. The goals, at a high level include:

- Providing an application that will replace the current POS/ERP applications with a hosted solution that provides:
 - Real or near real time data capabilities for efficient inventory management and reporting

- Alert capability related to inventory, licenses, and missing data
- Seamless integration between stores, warehouse, and central office functions
- Interfaces with warehouse management system, State financial system, licensing system, and others as listed in Appendix F
- Customizable workflow capabilities to improve efficiency of manual, multi-step processes
- Customizable, robust and easy to use reporting capability without additional costs

4. About the AABC

The AABC is a division of State government in Alabama and is also one of 17 “control” jurisdictions in the United States that regulate the sale, distribution, and consumption of alcoholic beverages. While all 50 states regulate alcoholic beverages, control states are directly involved with the distribution and sale of alcoholic beverages within their borders. The control model is designed to limit consumption of alcohol and promote public health. The AABC controls alcoholic beverages through distribution, licensing, and compliance as well as education. Their mission statement is as follows:

“The Alabama ABC Board controls alcoholic beverages through distribution, licensing, and enforcement as well as education. State and federal laws regarding youth access to tobacco are enforced and retailers and the general public are provided information relative to the laws and their consequences. The Board also operates a chain of retail stores selling the majority of liquor purchased to consumers in Alabama.”

The AABC sells state owned spirits in state owned stores and to licensees throughout the state. The AABC generates nearly \$450,000,000 in revenue annually and there are about 6,000 products carried by AABC (SKUs or stock keeping units). As of March, 2016, The AABC has about 810 employees.

There are approximately 175 retail and wholesale state owned and operated stores in Alabama. There are also about 600 privately run package stores, which sell nearly 25% of in-state sold spirits. These package stores are licensed and inspected by the AABC, and purchase spirits from AABC wholesale stores.

The AABC generates a substantial amount of revenue for cities, counties, and other state agencies. The AABC website notes that:

“For each retail dollar spent on the shelf price of a bottle of liquor in an AABC state store, there is a 6% sales tax added. Funds from this sale are distributed to several different accounts. This in turn reduces the tax burden on the citizens of Alabama in general; providing dollars to the State General Fund, social & medical programs through the Department of Human Resources and Department of Mental Health, education, local budgets, tax administration and regulation, and statewide law enforcement.”

Additionally, in recent years, more and more jurisdictions have levied additional taxes. The AABC is responsible for administering and collecting these taxes as well.

Product Management Division

Warehouse Operations

The AABC operates a bailment warehouse in Montgomery. Bailment is unique to the control state world. In a bailment warehouse, liquor is stored in the custody of the control jurisdiction while it remains owned by the liquor vendor/supplier. A charge per case is typically levied on the vendor/supplier by the control jurisdiction for maintenance and storage. Once the jurisdiction determines that the case will be sold, it is designated for sale, placed on a shipping truck, and sent to

stores for sale. At that point, ownership shifts from the vendor/supplier to the jurisdiction (in this case, the AABC). The warehouse receives and distributes about 10,000 cases of liquor per day and maintains a warehouse inventory of 325,000 cases during the year.

The warehouse supplies spirituous liquor directly to all 175+ AABC retail and wholesale stores in the state. Over 600 privately-owned package stores also sell liquor provided by this warehouse, but do so indirectly through purchase of liquor at an AABC wholesale store. On average, thirteen semi-trucks a day are loaded by the warehouse and on the road for delivery.

Warehousing/Transportation/Distribution/Wholesale is responsible for three distinct operations. The Warehouse receives and stores liquor products, and maintains a single physical inventory and two book inventories: AABC-owned (already purchased by the state) inventory and vendor-owned (known as “bailment”) inventory. Distribution is responsible for shipping product to stores, and Wholesale is responsible for maintaining certain liquor products referred to as “wholesale” because they are not products regularly listed in retail stores (e.g., seasonal liquor that is not in retail stores expect for certain months of the year, or a specially requested product that was ordered by a customer, is now listed by AABC, but is still not regularly stocked in retail stores). As of March, 2016, the Warehousing/Transportation/ Distribution/Wholesale division has approximately 48 employees.

Stores Operations

The Store Operations is the largest division in the AABC. It includes about 610 employees (as of March, 2016) who serve as clerks, cashiers, or managers. There are two regional directors (one for the northern part of the state and one for the southern part), and seven district managers in each region. The Stores division is overseen by a single director in Montgomery.

Stores are responsible for liquor sales to the public and to licensees through retail stores and wholesale/retail stores. Some wholesale/retail stores provide a separate area for licensees to pick up liquor for sale at their establishments. The Purchasing division of the AABC is responsible for managing product inventory at all retail and wholesale stores throughout the state. Purchasing is involved in the addition of new liquor to the list of products sold, overseeing the inventory transfer of product between stores and the warehouse, and selling product to certain licensees that buy directly from the AABC. Purchasing has three full-time staff who report to the Product Operations Director.

Merchandising Operations

Merchandising operations coordinates all merchandising efforts in AABC retail and wholesale outlets, including shelf settings and display locations in the stores. Merchandising is responsible for generating store layouts, planograms, and placement of product in stores, and works in partnership with certain vendors/suppliers to arrange the layout of existing and new product for stores. Merchandising has one dedicated full-time staff and reports to the Product Operations Director.

Licensing and Compliance Division

The Licensing and Compliance division of the AABC is responsible for enforcing alcoholic beverage laws and issuing licenses to sell wine, beer, and spirits in the state. All entities selling, manufacturing or distributing alcoholic beverages in Alabama must be licensed by the AABC. There are currently 25 types of liquor licenses in Alabama:

LOUNGE RETAIL LIQUOR - CLASS I	WAREHOUSE LICENSE
LOUNGE RETAIL LIQUOR - CLASS II (PACKAGE)	ADDITIONAL WAREHOUSE WINE, BEER, OR BOTH
RESTAURANT RETAIL LIQUOR	SPECIAL EVENTS RETAIL
CLUB LIQUOR - CLASS I	SPECIAL RETAIL LICENSE - 30 DAYS OR LESS
CLUB LIQUOR - CLASS II	SPECIAL RETAIL - MORE THAN 30 DAYS
RETAIL BEER (ON OR OFF PREMISES)	RETAIL COMMON CARRIER
RETAIL BEER (OFF PREMISES ONLY)	MANUFACTURER
RETAIL TABLE WINE (ON OR OFF PREMISES)	IMPORTER
RETAIL TABLE WINE (OFF PREMISES ONLY)	BREW PUB
LIQUOR WHOLESALE	INTERNATIONAL MOTOR SPEEDWAY
WHOLESALE BEER ONLY	NON-PROFIT TAX EXEMPT
WHOLESALE TABLE WINE ONLY - 14% OR LESS	RETAIL TOBACCO SALES
WHOLESALE TABLE WINE & BEER COMBINED	

There are about 14,000 licensees in Alabama. Additionally, there are 7 AABC licensing offices throughout the State.

The AABC license validity period is for one year. Licenses become effective on October 1 and expire on September 30 of each year. The licensee renewal period is from June 1 to July 31 of each year, although a licensee may renew their license until May 31 of the following year. Penalties apply to those renewals not received by October 20.

Licensees re-selling spirits at their retail location must purchase those spirits through the AABC at an AABC-operated wholesale outlet/store. The solution must provide a means for AABC store cashiers to verify that a license is valid at point of sale and that the person sent by the licensee to purchase spirits is approved to do so.

AABC Licensing is responsible for approval of alcoholic beverage labels, promotions, and advertising in Alabama. All print and media must be approved by the AABC prior to display.

Audit Division

The Audit division is responsible for audits of the records of all beer and wine wholesalers and all AABC stores. Audit is also responsible for physical inventories of the warehouse and AABC stores as well as internal audits. The Audit division has about 14 staff (as of March, 2016) and is headquartered in Montgomery.

Accounting Division

The Accounting division of the AABC is responsible for accounting for all revenues and expenditures of the AABC. This includes sale of liquor, warehouse bailment charges, licensee fees, taxes, and penalties assessed against licensees that violate state law. Accounting also manages the purchase of

all non-liquor payments, such as vehicles, store cleaning contracts, supplies, and uniforms. Accounting disburses revenue to all state departments and localities that, by law, are entitled to share the revenue generated by the AABC. They also oversee property management, equipment inventories, and mail room operations. Accounting has about 16 staff as of March, 2016.

5. Overview of Current AABC Functional and Technical Environment

The AABC technical environment has retail, wholesale, and licensing IT systems that are spread across three networks and interface with a number of internal and external entities. The AABC currently hosts its own servers at its headquarters in Montgomery, Alabama and is supported and maintained by a staff of approximately 22.

For this procurement, AABC requests a subscription-based service or software as a service (SaaS) model.

The AABC's current primary financial, retail, and wholesale IT system is Microsoft Dynamics NAVision. NAVision is hosted on a Dell Power Edge server at the AABC headquarters and is currently running on version NAV 2009 R2, 6.00.34105. NAVision handles all manner of transactions and data including:

- Retail and wholesale sales
- Store information
- Product information
- Price data
- Warehouse information including current inventory (NAVision serves as the warehouse management system for AABC)

The AABC POS system is SAP POS version 10.3. There are about 175 state run liquor stores in Alabama and each store has anywhere from one to six Hewlett Packard (HP) RP7 models. Each store has a primary register used for back office functions. The sales and inventory data captured at the register is currently pulled nightly to NAVision. The data is "polled" (meaning uploaded) sequentially as stores close in the evening. There is no real-time connection between the registers and NAVision.

Each store also has a bad check verification terminal, which communicates with a company called NexCheck. The terminal and connection to NexCheck cannot determine if sufficient funds are available: only if there is a history of bad check writing. A store manager's PC is also located in each store, although that computer is not on the same network as the register, for payment card industry (PCI) reasons. There are also Intermec CK3x programmable wireless computer devices in each store.

The AABC warehouse is served by two primary systems: NAVision and Dematic SortDirector. NAVision manages inventory for the warehouse and serves as the AABC warehouse management system. Product received from vendors is scanned directly into NAVision using a handheld computer. SortDirector is the warehouse conveyor system and handles shipments and routes that the AABC truck will take to ship product to stores. NAVision sends product file information (SCCs, bottle data locations) to SortDirector. When cases do not scan at the sort scanner or do not sort to the correct shipping door due to lane stoppages, they are sent to an "overflow" lane called JackPot. Unlike other warehouses, AABC's warehouse does not have a "re-circulation line", or sorting mechanism for re-scanning cases that did not properly scan the first time they are sent through the pick line.

The technical environment at the AABC exists in or interfaces to systems within several separate networks:

1. **POS Inventory Control System (POS/ICS):** NAVision and all retail and wholesale store registers currently operate within a dedicated network called POS/ICS. POS/ICS is a secure network and is segmented from other state IT networks.
2. **The ‘Legacy’ network:** This network contains the back end of the licensing system and Responsible Vendor Programs, a program called QlikView, which provides business intelligence and forecasting to the AABC, and the Rent or Real Estate database (Microsoft Database). These systems are all hosted by the AABC. This network hosts SortDirector, the AABC shipping system and JackPot, the warehouse overflow lane. This network also includes the AABC store supply ordering system, which will be replaced as part of the proposed solution.
3. **The Warehouse network:** The warehouse network consists of workgroup machines/server, which are SortDirector server (RapidRoute) and windows PCs (merge and Jackpot). These systems reside on the AABC "Legacy" network.
4. **The “State” network:** The State’s agency level accounting system, called State of Alabama Accounting and Resource System (STAARS), receives data from NAVision and is in this network. STAARS is the enterprise State accounting system utilized by all state agencies. STAARS is updated from NAVision with sales, inventory, and deposit transactions daily. The State network also plays host to a separate purchasing module that is used for non-liquor purchases. This module is accessed primarily by the AABC Accounting office. STAARS was deployed October 1, 2015.
5. **Other External entities:** The AABC has a number of systems hosted or provided by external entities. Alabama Interactive (AI), a private company that holds a contract with the State of Alabama to host web-based transactional applications, hosts the Wholesale Online ordering web application for the AABC systems. It is expected that the proposed solution will replace the current AI application.

Also in the third party network is the NexCheck system, which is used to scan checks presented for purchase of liquor products to determine if the check being presented is written by someone with a history of writing bad checks. NexCheck does not determine if funds are available for withdrawal.

Total Systems Services, Inc. (TSYS) is the payment card processor for the AABC. TSYS interfaces with signature pad terminals in retail stores to approve or deny payment cards. The AABC does not presently accept PIN debit transactions for purchase of liquor. Currently, AABC also interfaces with a third party payer, Fintech, for large purchasers (i.e. Costco, casinos).

The AABC also interfaces with the data warehouse of the National Alcoholic Beverage Control Association (NABCA), the trade association for all alcoholic beverage control jurisdictions in the United States. NABCA receives store inventory (daily), store sales data (daily and monthly), and warehouse inventory (daily) from NAVision.

Additionally, the ACCELA licensing solution must interface with the POS solution.

A more detailed description of AABC current business processes is available in the Current Environment Report (CER) dated May 30, 2014 (Appendix G). This report details much of the AABC product management, accounting, warehouse, and audit functions. It also includes detailed information on business processes. Offerors should read this report and understand the current business processes before responding to this RFP. Please note that the report is two years old and some business process changes have occurred but the document will describe accurately the bulk of AABC operations. Also note that the server inventory and network diagrams of the Current Environment Report are updated in Appendix D. Offerors should familiarize themselves with Appendix D as well.

Additional Technical Details:

- Approximately 120 users at the Central Office
- Currently, there are 43 concurrent Microsoft Dynamics NAV user license CALs
- The browser standard is currently Internet Explorer 11
- Win 7 is the standard and the oldest Version O/S for the registers
- Stores connect to AABC central office via MPLS T1, MPLS-DSL, business class DSL, and cable modems.
- Hardware VPN from stores to central office/backend DB
- There are currently approximately 416 registers in 175 stores.
- Currently, the hardware that the stores use for POS operations include:
 - HP RP7 Retail System Model 7800
 - Windows 7 Professional (64 bit)
 - Intel Core i3-2120 CPU, 4GB RAM, 128 GB SATA solid state drive
 - HP RP7 15 inch Capacitive AFD Display
 - Hand-held scanner, touch screen, keyboard, mouse, Ingenico model iSC250 sigpads
 - Local printer, receipt printer, monitor, customer display, modem
 - Win 7 is the standard and the oldest Version O/S for the registers
 - Approximately 220 Intermec CK3x handheld devices are currently in operation to receive product and conduct physical inventories (real time connection to NAVision)
- 175,000 square footage at the main AABC warehouse and 40,00 square foot annex-wireless network throughout
- Two Intermec CK3x hand held devices are in used by the Warehouse for receiving products
- 10 hand held devices are in used by the Audit division
- See Appendix D for list of current servers and current network diagram

6. Scope of Work

The AABC seeks an Offeror or Offerors that can provide a new POS/ERP solution for use by the AABC, licensees, and the public. The solution would be Software as a Service (SaaS), preferably subscription based. The solution will include all appropriate software and software licenses. The AABC does not plan to procure hardware at this time. The Offeror must design, configure, and deploy the solution. All appropriate AABC staff must be trained by the selected Offeror.

This effort will be a deliverables-based, phase gate approach. This means that the contractor will be paid based on acceptable submission of deliverables defined in any resulting contract. Before consecutive phases of the project can begin, the prior ones must be approved by the AABC. Payment is subject to 10% retainage provisions (please see section 8.6).

The State has outlined the following Scope of Work (SOW), which includes the specific deliverables that the selected Offeror(s) is/are required to provide. Offerors are responsible for the deliverables described in this section.

Stage 1 Release of this RFP and Offeror Selection

This stage of the project is the responsibility of the State. No deliverables are required of the Offeror for this stage.

Stage 2 (Project Kick-Off, Discovery, and Planning Phase)

Project Kick-Off

The Offeror will work collaboratively with the State's project team and project sponsors to schedule and conduct project kick-off meeting work sessions to formally begin the Execution phase of the project. The kick-off meeting will be held on-site in Montgomery, Alabama. The Offeror will prepare materials and review the agenda and materials with the State prior to the kickoff meeting. During the kick-off meeting, the Offeror will present materials and discuss their approach to project execution.

❖ D.1 Project Kick-Off Meeting

The Offeror will also conduct sessions to discuss enterprise solution design considerations and produce a high level design document. The document will describe the key components of the proposed solution including, but not limited to, application architecture, integration with other systems, security provisions, network design, planned connectivity, required disk space, needed hardware, back-up, hosted facility details, and disaster recovery strategy.

❖ D.2 High Level Design Document

Gap Analysis

The Offeror shall be responsible for conducting a software gap analysis that addresses these distinct items:

1. The gaps between the vendor solution and the essential requirements listed in Appendix A (Functional and Technical Requirements).

2. The gaps between any functionality not currently utilized by the AABC and not specified in Appendix A (Functional and Technical Requirements) but proposed by the Offeror.

While every effort has been made to document current business processes, and technical requirements in as thorough a manner as practical, there is a significant amount of detail not provided in those documents, such as the specifics of how systems work and could work in the new software; the way systems handle unusual situations, error conditions, and similar technical details. The Offeror will work with AABC to discuss and thoroughly understand systems and processes, as well as their approach for meeting the same business needs in the new solution at all levels of detail (whether through similar processes or re-engineered ones). The Offeror shall produce technical specifications sufficiently precise, complete, and detailed to facilitate the later steps of implementation, including configuration, customizations, business process re-engineering, preparation of the updated procedures manual, and training.

Please review the Current Environment Report which is available as Appendix G. Please note that the report is two years old and some business process changes have occurred but the document describes accurately the bulk of AABC operations. The Current Environment Report and Procedures Manual (Appendix H) contain significant information on business processes of the AABC. Specifically, both documents detail liquor product management, point of sale, warehousing, accounting, and audit functions of the AABC.

Upon completion of the Gap Analysis, the Offeror shall provide a Gap Analysis Report to AABC in a format acceptable to AABC. The Gap Analysis report shall be the functional and technical specification for the AABC POS/ERP solution and will be used to update the Procedures Manual. The Contractor's plan for using on-site time to conduct and complete a Gap Analysis must be detailed in its On-Site Plan (see Tab N).

❖ D.3 Gap Analysis and Functional Design Specification

Requirements Traceability Matrix

The Offeror shall be responsible for developing a requirements traceability matrix (RTM) between the functional and technical requirements in Appendix A of this RFP and its solution. An RTM is a cross-reference between required functionality of the solution and how the solution will specifically provide the functionality. If, for example, a solution requirement is that solution must track inventory damaged in the warehouse, the RTM must show what screen, module, or function in the proposed solution will accomplish that function. The RTM shall be developed in a format agreed upon by the AABC and the Offeror.

❖ D.4 Requirements Traceability Matrix

Software Configuration Plan

The Offeror shall be responsible for developing a plan of how proposed software will be configured to meet the functional and technical requirements of the AABC (Appendix A).

❖ D.5 Software Configuration Plan

Data Migration Plan

The Offeror shall be responsible for developing a plan for migrating data from the current Navision SQL database. Depending on the Offeror deployment plan, there could be phased migrations

❖ D.6 Data Migration Plan

Interface Plan

The Offeror shall provide an interface plan that will specify how the solution will interface with, at a minimum, the Accela Licensing solution, the National Alcoholic Beverage Control Association (NABCA), the Warehouse Conveyor System (Dematic SortDirector), a third party payment processor (currently Fintech), and the State accounting system (STAARS). This plan must address programming required to create these interfaces, including time needed from AABC staff, and must specify a schedule of when interfaces can be tested and made to go-live.

❖ D.7 Interface Plan

Testing Plans

The Offeror shall be responsible for creating a Testing Plan. The plan shall address the following phases of testing:

1. Unit Testing: The Offeror must develop a plan to internally test the solution. The plan for unit testing must account for testing procedure and how results will be provided to AABC.
2. Interface Testing: The plan must describe how AABC staff will determine if interfaces are exchanging data properly. The plan must discuss how test files will be exchanged with the AABC central office system and registers.
3. Regression Testing: The plan must describe how regression flaws will be corrected and how the solution will function as designed after modifications have been made.
4. User Acceptance Testing (UAT): The Offeror shall develop, in conjunction with the AABC, UAT entrance criteria (criteria that must successfully be met before testing can occur) and exit criteria (criteria that must be met before testing can be considered complete and accepted). The Offeror shall describe how defects will be tracked and corrected.
5. Load and Stress Testing: The plan should specify how both the solution will be tested for excessive or unusually high amounts of data traffic.
6. End-To-End Testing Plan: The Offeror must develop a plan for testing the entire solution prior to deployment. This test will determine if all software modules and interfaces are functioning before deployment begins.
7. Data Migration Testing Plan: This plan must include a plan for data cleanup prior to migration. The Offeror must also detail how the data that is to be migrated will be examined for wholeness and accuracy.

❖ D.8 Testing Plans

Training Plan

The Offeror shall be responsible for development of a Training Plan. The Plan must specify what Offeror staff will be providing the training, what printed or electronic materials will be used to train, and what supplemental online available training materials will be provided. The Plan must account for Offeror travel to Alabama to conduct training in person. The plan should specify the Offeror approach to training the various groups of users (central office, stores, warehouse, etc.) who are dispersed throughout the State. The AABC anticipates that approximately 800 employees will be trained. In its plan, the Offeror should account for training not just in Montgomery; the AABC currently has 14 Districts throughout the state, each with personnel who must be trained.

❖ D.9 Training Plan

Deployment Plan

This Plan shall specify deployment of the POS/ERP solution. The Plan will specify a hardware deployment and software installation methodology and schedule. It will specify how the Offeror will minimize disruption to AABC staff and operations. This plan should include provisions for multiple data migrations and reporting consolidation if a phased rollout is proposed.

❖ D.10 Deployment Plan

Stage 3 (Offeror Development, Customization, and Configuration Period)

Offeror Development, Customization, and Configuration Period

The Offeror shall develop, customize, and configure the solution according to the Statement of Work agreed to with AABC. This includes development of interfaces with external entities and development of customized linkages to them. This task will be conducted after the successful completion of all tasks in Stage 2. The Offeror will deliver a test environment for the AABC to evaluate and test.

❖ D.11 Delivery of Test-Ready Version of Solution

Stage 4 (POS/ERP Solution Testing)

Conduct Interface, User Acceptance, Load and Stress, End-to-End, and Data Migration Testing

The Offeror will be responsible for conducting system testing according to plans developed in the first stage of this project. After completion of internal unit system testing, the solution shall undergo UAT. The UAT version of the software must be a production-ready version or a near production version. UAT entrance and exit criteria will be developed and UAT will not be considered complete unless all criteria are met. A go/no-go decision will be made at this point. All testing results must be documented and provided to AABC in a mutually agreed upon format.

❖ D.12 Interface Testing

❖ D.13 Regression Testing

❖ D.14 Load and Stress Testing

❖ D.15 End-to-End Testing

- ❖ D.16 User Acceptance Testing
- ❖ D.17 Data Migration and Data Migration Testing

Stage 5 Training, Deployment, Go-Live, and Warranty Period

Updated Procedures Manual

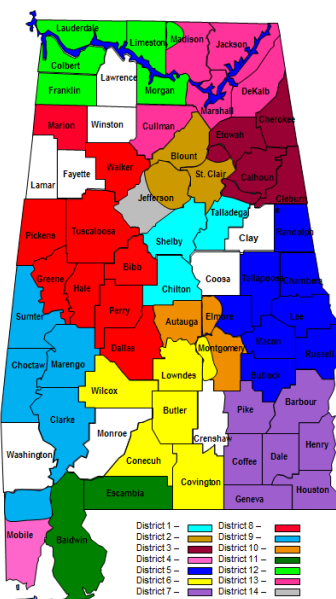
The AABC has developed a partially completed Procedures Manual (Appendix H) that describes the to-be business processes of the AABC in the context of a new ERP, point of sale (POS), and licensing solution. This Manual incorporates the results of business process re-engineering sessions held between the AABC and an external consultant, BerryDunn. The Procedures Manual is incomplete by design: it will be the responsibility of the successful Offeror to update this manual with specifics about how the software will function related to the POS/ERP solution.

Some decisions about how certain AABC functions will be conducted in the future have not yet been made, and some of those decisions are dependent upon the selected solution. It will be the responsibility of the selected Offeror to assist AABC in updating the specific operational content of this Procedures Manual (Appendix H). Placeholders for further Offeror development have been inserted in the Procedures Manual for reference. The updated Procedures Manual, as developed by the successful Offeror, must be a document suitable for staff to use as both a user and training manual, covering both the business processes and the software's use in accomplishing them.

- ❖ D.18: Updated Procedures Manual

Training

Offeror will conduct system training for all required AABC personnel. This training will be held in person in Montgomery, Alabama, and in up to 14 Districts (see map below). Training will be held within 30 days prior to system go-live so users may make maximum use of the training provided.



❖ D.19 Training

Deployment and Post Installation Warranty Period

The Offeror shall deploy the solution to licensed users. The warranty period shall commence on the day the system goes live. The Offeror should describe what is covered during a warranty period and the duration of the warranty period. Following the warranty period, the support agreement will begin.

Note: Deployment cannot occur during central office or store operating hours.

The Offeror shall submit, as Tab R in its proposal, a Service Level Agreement (SLA). The SLA shall contain, at a minimum, a complete description of standard support offerings for end users and technical staff including; help desk, application and technical support. The SLA must include service and travel (if needed) for all service level agreement work. The SLA must delineate in writing between Offeror and AABC responsibilities, and define in writing items not covered under the service contract. The Offeror support team should meet Requirement T.7.a.10 in Appendix A. As described in the Appendix A, Functional and Technical Requirements, the Offeror must provide support for solution issues or deficiencies as follows:

- For all SLA Class A & B issues as defined in the glossary, the Offeror must have on-call telephone assistance available to the AABC, with issue tracking available 6 a.m. to midnight central time and seven days a week with a telephone response within 15 minutes of request. If requested by the AABC, the Offeror must be on site within four hours of the initial phone call reporting the problem, depending upon the AABC site location.
- For all SLA Class C & D issues the AABC must notify the Offeror of such deficiencies during regular business hours and the Offeror must respond within four hours of notification with the planned corrective action.

The Offeror must provide support for all OS updates and patches for all CPUs during the term of the SLA.

❖ D.20 Deployment and Post Installation Warranty Period

Project Close-Out Meeting

The Offeror shall participate in a close-out project meeting with the AABC. Offeror shall deliver a list of not fewer than three lessons learned to the AABC and shall attend a meeting of not less than an hour in duration to discuss lessons learned and a review of the project as a whole. The Offeror shall provide to the AABC a single compilation of all written project deliverables in a format as agreed to by the AABC and the Offeror.

❖ D.21 Project Close-Out Meeting and Project Documentation

Stage 6 (On-Going Project Management Deliverables)

The AABC shall appoint a Project Manager (State's PM). In addition, the Offeror will provide a Project Manager (Offeror's PM) and his/her effort will incorporate all the tasks necessary to oversee the project. These tasks include updating project plans, assigning staff, scheduling meetings, reviewing

status reports, addressing project issues and change orders, and preparing presentations for upper management.

The Offeror shall be responsible to the State's PM. The Offeror PM and the State PM will work cooperatively to ensure State project team activities and objectives are planned and performed according to the Project Work Plan and Schedule in place. The State's PM is responsible to oversee the Offeror's adherence to contract provisions and the agreed-to Project Work Plan, and to ensure appropriate resources are allocated within the State to accomplish the agreed upon objectives. The State's PM will be responsible to engage the project Executive Sponsors as required in the event of any problems or issues needing their intervention.

The Offeror's PM has overall responsibility for the project deliverables, schedule, and successful implementation of the software as planned and all activities of Offeror's resources. The Offeror's PM shall be responsible for the successful delivery of all Offeror tasks and subtasks defined in the Project Work Plan.

The Offeror's PM shall work closely with the State's PM on a day-to-day basis. The Offeror's PM shall be on-site in Alabama as required during the entire project based upon the agreed-upon Project Schedule and On-Site Plan. The Offeror must provide site preparation and installation work that is accomplished with minimal interruption to Agency day-to-day operations.

The Offeror's PM shall schedule and facilitate weekly Project Status Meetings either on-site in Alabama or via teleconference. Offeror staff other than the PM will attend as required and determined by the Offeror's PM and/or the State's PM. A weekly meeting schedule will be identified during the Project Kickoff Meeting.

In conjunction with the weekly Project status meetings, the Offeror's PM shall provide weekly written status reports to the State's PM. Status reports shall include, at a minimum: all tasks accomplished, incomplete, or behind schedule in the previous week (with reasons given for those behind schedule); all tasks planned for the coming week; an updated status of tasks (entered into the Project Plan and attached to the Status Report – e.g., percentage completed, completed, resources assigned to tasks); and the status of any corrective actions undertaken. The Status Report will also contain items such as the current status of the project's technical progress and contractual obligations, achievements to date, risk management activities, unresolved issues, requirements to resolve unresolved issues, action items, problems, installation and maintenance results, and significant changes to Offeror's organization or method of operation (e.g., to the project management team or deliverable schedule, where applicable). The State's PM and the Offeror's PM will come to agreement on the exact format of the Status Report document at or before the Project Kickoff Meeting.

- ❖ D.22: Updated MS Project Schedule (maintained and updated bi-weekly)
- ❖ D.23: Weekly Project Status Reports
- ❖ D.24: Weekly Project Status Meetings

7. Offeror Response Content and Format

The AABC discourages overly lengthy and costly proposals; however, in order for the AABC to evaluate proposals fairly and completely, Offerors must follow the format set out in this RFP and provide all information requested.

The following table provides a list of all response material that is required by the AABC. No tabs or section of the response are optional: all must be completed for proposals to be considered.

Tab	Description	Maximum Number of Pages	Appendix Cross Reference
A	Cover Letter/ Executive Summary	Four pages	None
B	RFP Submission Checklist	One page	Appendix C
C	Project Approach	Ten pages	None
D	Fulfillment of Minimum Requirements to Offer	Two pages	None
E	Corporate Qualifications and References	No limit	None
F	Project Staffing Qualifications	Three pages, not including resumes	None
G	Financial Requirements	No limit	None
H	Functional and Technical Requirements (completed electronically only in the Excel spreadsheet)	No limit for the Excel document	Appendix A
I	Cost Proposal (completed electronically in the Excel spreadsheet as well as a hard copy in Tab I)	No limit for the Excel document	Appendix B
J	Statement of Compatibility with Mobile devices and other hardware	One page	None
K	Software License and Maintenance Agreement Requirements	No limit	None
L	Redacted Copy of Submittal/Offer	Length of the Submittal/Offer	None
M	Required Essay Questions and Submissions	Per Question/Submission	None
N	On-Site Plan	Two Pages	None
O	Communications Plan	Two Pages	None
P	Quality Management Plan	Two Pages	None
Q	Training Plan	Two Pages	None
R	Service Level Agreement	No limit	None
S	Immigration Form	One Page	Appendix I
T	Certificate of Compliance	One Page	Appendix E

Tab A: Cover Letter/Executive Summary

The first page of the Offeror's response must be a cover letter displaying the following:

- RFP Number
- Offeror's Name
- Contact Person
- Telephone Number
- Address
- Email Address

An executive summary, overview, and description of the solution offered must be included. Indicate if your company is a third party integrator or if you are selling and maintaining your own product.

Summarize the value your solution provides to the AABC and how the to-be business process and technical environment will be realized/improved upon if the AABC selects your solution. All subsequent pages of the RFP response must be numbered.

Tab B: RFP Submission Checklist

Complete and include Appendix C, RFP Submission Checklist, with your response.

Tab C: Project Approach

The Offeror must provide a detailed discussion of their approach to the successful design, configuration, customization (if applicable), and deployment of a new POS/ERP solution. The response should include, but not be limited to, the following:

- a. A high level explanation of your understanding of the solution sought by the AABC. This should speak specifically to the specific needs of the AABC and should be based on Appendix A (Functional and Technical Requirements), and the basic business processes as outlined in the Current Environment Report, (Appendix G) as it pertains to POS/ERP. Please note that the report is two years old and some business process changes have occurred but the document will describe accurately the bulk of AABC operations. Also note that the server inventory and network diagrams of the Current Environment Report are updated in Appendix D.
- b. An explanation of how each deliverable will be met, including tasks needed to successfully complete each deliverable. This will become the basis for the selected Offeror's work plan.
- c. Thorough discussions of methodologies regarding project management and control, testing, delivery of education and training, cost control, and successful scheduling. **Please include in your response a statement of how long you expect full implementation to take.** Also include in your response:
 - Assumptions and Constraints
 - Proposed Project Management Methodology

- Anticipated Project Risks and Challenges.

Tab D: Fulfillment of Minimum Requirements to Offer

The Offeror should meet the following minimum requirements:

- *Minimum Prior Experience* – The Offeror should have experience working with an alcoholic beverage control jurisdiction.
- *Minimum Industry Standards* – The software solution proposed must be Payment Application Best Practices (PABP) validated or Payment Application Data Security Standard (PA-DSS) validated. Please submit evidence of such certification in this tab (Tab D).

Tab E: Corporate Qualifications and References

Provide details of your company, including company size and resources, details of corporate experience relevant to the proposed project, and a list of other current or recent alcoholic beverage control projects. You may also include experience with non-alcoholic beverage solution implementations, whether at the federal, state, county, or municipal government level.

If an Offeror intends to use subcontractor(s), the Offeror must identify in the proposal the name(s) of the subcontractor(s), the portions of the work the subcontractor(s) will perform, and the percentage of work allocated to subcontractors.

Offerors must provide a minimum of three references for similar projects the Offeror's firm has completed. For each reference, provide the contact name, address, telephone number, and email address, as well as a written description (including size of the project) of the solution provided to this client and the benefits realized by the client. The AABC reserves the right to contact any references provided by the Offeror. The AABC invites Offerors to provide letters of reference from previous clients. References for subcontractors must also be provided, if applicable.

Tab F: Proposed Project Team Staffing Qualifications

Provide information on the personnel assigned to accomplish the work called for in this RFP, including:

1. Staff organization chart
2. Narrative description of the organization of the project team that identifies the title for each person who will actually work on the contract and a description of the roles and responsibilities for proposed personnel
3. Staff loading chart
4. Resumes for key personnel

At a minimum, staffing should include the following:

Project Manager:

- A minimum five years of information technology project management experience, including three years of experience managing large POS/ERP or similar type of solution implementations
- Bachelor's degree in relevant business area
- Demonstrated experience in a role that required significant responsibility for a project similar in size, functionality, and scope
- Experience with beverage control state information technology systems planning and implementation (preferred)

Business Lead:

- Three or more years of business analysis experience
- Experience on similar POS/ERP solution projects
- Experience collecting and analyzing data and developing deliverables and reports
- Understanding of all phases of the systems development lifecycle, including requirements gathering and documentation, definition, design, development, testing, and deployment
- Knowledge of hosted solution environments and development methodologies
- Bachelor's degree in relevant business area

Technical Lead:

- Three or more years of technical analysis experience
- Experience on similar POS/ERP solution implementation projects
- Experience collecting and analyzing data and developing deliverables and reports
- Understanding of all phases of the systems development lifecycle, including requirements gathering and documentation, definition, design, development, testing, and deployment
- Knowledge of hosted solution environments and development methodologies
- Bachelor's degree in relevant business area, with relevant certifications to support areas of technical expertise

Trainer:

- Two years of experience in the creation and production of technical and/or user documentation
- Two years of experience with classroom style, in-person training in the use of systems similar in size and complexity to the one being offered
- One year experience in the management of documentation version control procedures and web-based documentation

If the Offeror intends for one individual to be designated as more than one title of the above, state this in your response.

Tab G: Financial Information

Please provide financial information in such a manner that the AABC can reasonably formulate a determination about the stability and financial strength of the organization. This should include but not be limited to company size, organization, date of incorporation, ownership, number of employees, revenues for the last three fiscal years, and, if available, audited financial statements for the most recent three years. A current Dun and Bradstreet Report that includes a financial analysis of the firm would fulfill this requirement. An Offeror can use an Annual Report as verification of financial status provided it contains, at a minimum, a Compiled Income Statement and Balance Sheet verified by an Independent Auditor or a Certified Public Accounting firm.

The AABC reserves the right to contact the Offeror's accounting firm if questions arise. As an alternative, those Offerors unable to provide audited financial statements or Dun and Bradstreet report shall provide tax returns and financial statements including income statements and balance sheets for the most recent three years, and any available credit reports.

The AABC will permit Offerors to include financial statements described in this Tab in a separate, sealed envelope. Offerors are reminded to mark any portion of their response that they request be withheld. Please see Tab L.

At the State's discretion, the Offeror may be required to post or supply a performance bond in the amount of \$200,000 for the purpose of guaranteeing compliance with the terms of any resulting contract. Such a bond must be posted prior to the execution of a contract, and the Offeror/Contractor will be responsible for maintaining the bond throughout the duration of the contract.

Tab H: Functional and Technical Requirements

AABC has developed a preliminary list of functional and technical requirements for a POS/ERP solution, which is provided in the form of an Excel spreadsheet in Appendix A. Please complete the Excel spreadsheet. For each requirement in Appendix A, assign a numerical "Delivery Method" (a column with this label is provided) and then provide comments in the "Comments" column according to the following instructions:

1. Use a "1" if your solution can meet this functionality "out-of-the-box." It is understood that "out-of-the-box" functions may require configuration, but it is assumed that available functions are included in the proposed software/implementation costs.
2. Use a "2" if your solution plans to provide this functionality in a coming release. (If you use a 2, use the "Comments" column to identify the date the release is planned to be available.)
3. Use a "3" if your solution would need to be customized to meet this need. In the "Comments" column, provide a cost estimate (low and high costs are preferred) for how much this customization would cost.
4. Use a "4" if your solution does not provide this functionality, and you do not plan to propose it.

Printed copies in lieu of a completed electronic document in Microsoft Excel will not be accepted. The State will use the Excel file to tabulate results. Therefore, the Offeror's submission of functional and technical requirements must be electronic.

Tab I: Cost Proposal

Please complete the Cost Table provided in Appendix B (Cost Proposal) based on the detail provided in this RFP.

The Offeror's Cost Proposal must be provided electronically using the Excel format provided in Appendix B. It is not necessary to submit a separate, sealed Cost Proposal. The proposal must be fixed cost, inclusive of all expenses, for specific deliverables. Offerors may provide additional information about costs but must not fail to complete and submit Appendix B. All costs must be included in this table, including itemized costs for any and all customizations to the base software provided by the Offeror.

Tab J: Statement of Compatibility with Mobile Devices or Other Hardware

Offerors must provide a list, in table format, of mobile devices that their products are compatible with. Please include phones, PDAs, tablets, and any other hardware on which your solution is capable of running.

Tab K: Software License and Maintenance Agreement Requirements

The Offeror shall include all system licenses and maintenance support agreements or contracts that are stipulated in the functional and technical requirements or that are required to use the solution. Failure to provide the license and maintenance agreements as part of this response may result in rejection of the Offeror's proposal.

Tab L: Redacted Copy of Submittal/Offer

Include, if necessary, a version of the submittal/offer highlighting material the Offeror requests to be withheld, pursuant to Code of Alabama Section 36-12-40.

Tab M: Required Essay Questions and Submissions

You must respond to the following questions and attach them to your offer. Answers to these questions will be evaluated and will be used in scoring offers. Without responses to essay questions, an Offeror's response will not be considered.

1. Please give a description of the software you are offering, including a description of the licensing structure and number of expected licenses (include this number also in the Cost Table). Describe any other software or bundling that is needed to make a complete system, including reports and workflows. Please describe any required middleware.
2. Interfaces and Integration with Other State Systems- The AABC interfaces with a number of external stakeholders and customers. It is important for AABC to, at a minimum, maintain its existing interfaces or improve upon them when possible. Information related to the existing

interfaces is located in Appendix F. The following questions inquire of your company's ability to create custom interfaces:

- 2a. What is your methodology, (meaning approach to coding or creating a link between two systems, including software language used and industry standards relied upon) for writing custom interfaces?
- 2b. How would you integrate data from our licensing system (Accela Automation) into your solution so store clerks can have access to a current list of licensees to whom they can legally sell spirits?

3. Reporting

The AABC has various Departments that have different reporting needs. Please describe your reporting solution. Describe the ability of users to create and modify reports, edit sorting options, filter results, and select fields from all available fields in the solution. Please describe the ease of use of the solution to modify and create reports.

The AABC is most interested in reporting capabilities that allow users to easily create and modify reports. Please describe how you would approach meeting the reporting requirements in the most cost effective manner that allows AABC to gain the knowledge it needs in assuming reporting expertise.

4. Hosting

AABC systems are presently hosted at its central office in Montgomery. For the next generation of systems, however, the AABC requests a Software as a Service (SaaS) model for the POS/ERP solution.

- 4a. Please describe the subscription based, SaaS, or cloud based offerings that you provide.
- 4b. What levels of planned up time (e.g., 99.9%, 98.9%, 95%) does your hosting solution offer?
- 4c. Please describe the details of the hardware you plan to use for the proposed solution including warranty information, expected life of equipment, mean time between failure information, etc.
- 4d. Are you proposing self-hosting or hosting through another party, if so who is the party?
- 4e. Describe the standards or compliance the hosting party meets?
- 4f. What disaster recovery options do you have?
- 4g. Please provide a description of the physical security of your data centers. Also, for this solution, AABC requires the hosted solution facility to be located in the United States as well as any secondary facility which must be located in a different geographic (U.S.) location than the primary facility.

-
- 4h. Please discuss any options the AABC would have to continue operations if the central office in Montgomery loses internet connectivity (currently provided through the State Information Services Division) for an extended period of time.
5. Mobile Computing
- 5a. Describe the functionality your product has available on mobile devices.
- 5b. What operating systems is your mobile computer software compatible with?
- 5c. What hardware platforms is your mobile computer software compatible with?
6. Data Archiving: Please describe the capabilities of your system to archive data in data locations outside the standard database, either in an additional database, an additional location, or other archival solution.
7. Payment Technology: Please demonstrate that your solution is a Validated Payment Application according to the Payment Application Data Security Standard (PA-DSS) standard of the Payment Card Industry Security Standards Council.
8. Online Ordering Capability: Does your solution have the ability to create an online product (spirits, in this case) order request? AABC on and off premise licensees have the capacity to submit such orders now and the AABC wishes to accomplish the same or similar process as is currently accomplished by the incumbent system.

Tab N: On-Site Plan (Maximum Length: Two Pages)

Please describe the amount of time that your company intends to be on-site in Montgomery. Include in your response the phases and deliverables where staff will be on-site and a brief description of the type of engagement that will be undertaken (e.g., site visits to stores, warehouse, central office, discovery with the Central office in Montgomery, requirements and design sessions).

Tab O: Communications Plan (Maximum Limit: Two Pages)

Please include a draft Communications Plan that details the information needs for project stakeholders, the frequency that they will need it, how that information will be relayed or communicated, and who will send it. A Responsible, Accountable, Consulted, and Informed (RACI) matrix is acceptable.

Tab P: Quality Management Plan (Maximum Length: Two Pages)

Please include a draft Quality Management Plan. The draft plan should, at a minimum, detail how the Offeror plans to ensure that their deliverables meet specifications agreed to in the contract. Details of proofreading and peer/management review (written deliverables), application fine-tuning, unit testing and use of a defect tracking log (software deliverables) will be used to allow for quality work product and fulfillment of deliverable obligations.

Tab Q: Training Plan (Maximum: Two Pages)

Please include a draft training plan. The plan should describe the Offeror's preferred approach to training (train the trainer, just in time training, etc.), and must take into account that not all AABC staff are located at AABC headquarters in Montgomery. Staff located elsewhere need to be trained and may not be able to travel to Montgomery. The plan should describe which materials the Offeror plans to use, how they will be provided (i.e. in paper or electronically or both), and how much time will lapse between when AABC staff will be trained and when deployment occurs.

Tab R: Service Level Agreement (No Limit)

Offeror's response should include a Service Level Agreement as described in Section 6 (Scope of Work), Stage 5, Deployment and Post Installation Warranty Period. Please also see section T.9 of the Appendix A, Functional and Technical requirements, for additional required details of the SLA.

Tab S: Immigration Form (One Page)

Offeror's response should include the completed Immigration Form found in Appendix I.

Tab T: Certificate of Compliance (One Page)

Offeror's response should include the completed Appendix E: Certificate of Compliance with the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (E-Verify Act) found in Appendix E.

8. Terms and Conditions

8.1 Contract Requirements

Once awarded, the term of the Contract will be from the award date forward through the time period of two (2) years. The State may renew this Contract for three additional one-year renewals, subject to and contingent upon the discretionary decision of the State of Alabama to appropriate funds for this Contract in each new fiscal year. The State may renew all or part of this Contract subject to the satisfactory performance of the Offeror and the needs of the State of Alabama. The Offeror should guarantee that its rate offerings, over the term of the contract, are comparable to other customers of similar size and requirements. If offerings are rendered to a comparable customer which improve the pricing agreed to in the contract, the Offeror agrees to apply those same discounts and offerings to the State of Alabama.

The selected Offeror(s) will sign a contract with the State of Alabama to provide the items named in their responses, at the prices listed. Minimum support levels, terms, and conditions from this RFP, and the Offeror's response will be in the contract. This contract will be subject to review throughout its term. The State will consider cancellation upon discovery that an Offeror is in violation of any portion of the agreement, including an inability by the Offeror to provide the products, support, and/or service offered in their response. The State reserves the right to purchase services, hardware, or software recommended in the Offerors proposal from any State contract in force.

8.2 Ownership of Data

All data hosted by or contained within the system is the property of the AABC. In the event of contract cancellation or termination, Offeror shall surrender all data stored or ghosted in the solution to the AABC. The AABC is considered the custodian of the data and shall determine the use, access, distribution and other conditions based on appropriate AABC statutes and regulations.

8.3 Quality

If applicable, all products provided under these agreements will be new and unused, unless otherwise stated. Factory seconds or remanufactured products will not be accepted unless specifically requested by the purchasing agency. All products provided by the Offeror must meet all federal, state, and local standards for quality and safety requirements. Products not meeting these standards will be deemed unacceptable and returned to the Offeror for credit at no charge to the State.

8.4 Cost of Preparation

The respondent shall be solely responsible for all expenses incurred in the preparation of a response to this RFP and shall be responsible for all expenses associated with any presentations or demonstrations associated with this request and/or any proposals made.

8.5 Invoicing

All invoices are to be rendered by the Offeror on the Offeror's standard billhead and forwarded to the AABC accounting division. Details such as name and address will be determined during negotiations. The Offeror's proposal must clearly specify the address for submitting payments. All payments are to be based on AABC's acceptance of agreed-to fixed price deliverables.

8.6 Retainage

The State will hold back 10% of each deliverable payment as retainage. Upon completion of all deliverables to the satisfaction of the State, all retainage withheld will be paid to the Offeror in full, subject to the terms and conditions of the contract.

8.7 Confidentiality

The successful response will become part of the contract file and will become a matter of public record, as will all other responses received. If the response includes material that is considered by the respondent to be proprietary and confidential, the respondent shall clearly designate the material as such, explaining why such material should be considered confidential. This material should be included as Tab L, Redacted Copy of Submittal/Offer pursuant to Code of Alabama Section 36-12-40. The respondent must identify each page or section of the response that it believes is proprietary and confidential with sufficient grounds to justify each exemption from release, including the prospective harm to the competitive position of the respondent if the identified material were to be released. Under no circumstances can the entire response or price information be marked confidential. Responses so marked may not be considered.

8.8 Cancellation and Exceptions to Terms and Conditions

The State specifically reserves the right to cancel the contract, or any portion thereof, if, in the opinion of the AABC, the services or materials supplied by the Offeror are not satisfactory or are not consistent with the terms of the contract.

The State will consider cancellation upon discovery that an Offeror is in violation of any portion of the agreement, including an inability by the Offeror to provide the products, support, and/or service offered in their response. The State reserves the right to purchase hardware or software recommended in the Offerors proposal from any State contract in force.

If the Offeror wishes to propose an exception to any Terms and Conditions listed here, it must notify the AABC in its response to the RFP. Failure to note exceptions will be deemed to be acceptance of the Terms and Conditions stated herein. If exceptions are not noted in the RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State of Alabama.

8.9 Review by Legislative Committee

All contracts are subject to review and approval by the Contract Review Permanent Legislative Oversight Committee of the State of Alabama.

8.10 Indemnification

The State of Alabama has no legal authority to indemnify an Offeror and will not consider limitations of liability either for the primary contract or any related software agreement that the Offeror wishes the State to sign. Those issues are not negotiable. Offerors who are not able to legally enter into a contract under those conditions should not submit a bid.

8.11 Location of Work

As a general rule, project work will be done in Montgomery, Alabama to the extent agreed to by successful Offeror and AABC. The Offeror will be required to work on-site and at such site or sites in Montgomery as may be identified by the State. The AABC will provide office space for up to two (2) staff to the successful Offeror for the duration of the project. The AABC may also be able to provide office space for additional staff for short term periods, generally not to exceed a month at a time. Travel to other State facilities may be needed and the Offeror will be responsible for such travel using their own mode of transportation. Offerors should detail in their On-Site Plan the expected amount of on-site time they plan to offer (as specified in Tab N).

Where applicable, the State will provide a project facility with desks, telephone, LAN connections, and printers. The Offeror must provide its own PCs or laptops and mobile peripheral devices. Offerors will be provided support by the State in setting up any accounts or connections required (State email system, network connectivity, network printing, etc.) and Offerors will have access to State phones for use in project related business calls. The State will not pay Offeror's cell phone bills.

8.12 Staffing

Offeror shall obtain approval in advance by the AABC of all staff proposed for each project. Offeror shall notify the AABC in advance and obtain approval of any new staff if staffing changes during a project. If any Offeror staff does not perform to acceptable or satisfactory standards as documented in the contract or SOW, the AABC shall inform the Offeror. When so informed, the Offeror shall either replace the staff member(s) with approved staff or take remedial action agreed by the AABC to ensure staff is performing at an acceptable standard. The Offeror must certify that it is in compliance with the Beason-Hammon Act (See Appendix E) as well as Immigration compliance (Appendix I).

8.13 Statement of Rights

The AABC reserves the right to obtain clarification or additional information necessary to properly evaluate a proposal. Offerors may be asked to give a verbal presentation of their proposal after submission. Failure of Offeror to respond to a request for additional information or clarification could result in rejection of that Offeror's proposal. To secure a project that is deemed to be in the best interest of the AABC, the AABC reserves the right to accept or reject any and all bids, in whole or in part, with or without cause, and to waive technicalities in submissions. The State also reserves the right to make purchases outside of the awarded contracts where it is deemed in the best interest of the State.

8.14 Taxes

Most State purchases are not subject to federal or state sales or excise taxes and must be invoiced tax free. An exemption certificate will be furnished upon request covering taxable items. The contractor agrees to pay all State of Alabama taxes that may be due as a result of this order. If taxes are to be applied to the purchase, it will be so noted in the response.

8.15 Order of Precedence

The order of precedence for documentation will be the Request for Proposal document and any amendments, and the Offeror's response and any amendments.

8.16 Specification Change

Any changes or variations in the specifications must be received in writing from the AABC Purchasing Agent. Verbal instructions or written instructions from any other source are not to be considered.

8.17 Amendments

No changes, modifications, or amendments in the terms and conditions of this RFP shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the State and Contractor.

8.18 Non Collusion

The State of Alabama is conscious of and concerned about collusion. It should therefore be understood by all that in signing bid and contract documents they agree that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive company. If there is sufficient evidence to warrant investigation of the bid/contract process by the Office of the Attorney General, all respondents should understand that this paragraph might be used as a basis for litigation.

8.19 Business Registration

To be awarded a contract by the State of Alabama, a respondent must be registered with the Alabama Secretary of State's office (<http://www.sos.alabama.gov/>)

8.20 Contract Negotiation

Upon completion of the evaluation process, the State may select one or more Service Providers with which to negotiate a contract, based on the evaluation findings and other criteria deemed relevant for ensuring that the decision made is in the best interest of the State of Alabama. In the event the State is successful in negotiating with the Service Provider, the State will issue a notice of award. In the event State is not successful in negotiating a contract with a selected Service Provider, the State reserves the option of negotiating with another Service Provider.

8.21 Software License and Maintenance Agreement Requirements

A software license and maintenance support agreement will be required for all major software proposed for this project. Please submit these agreements as Tab K in your response.

The respondent shall provide the State of Alabama with a Contract or Agreement for any solution licenses and maintenance support that is part of the proposed requirements. Failure to provide the license and maintenance agreements as part of the RFP response may result in rejection of the Offeror's proposal. As already noted, the State of Alabama has no legal authority to indemnify an Offeror, and will not consider additional limitations of liability either for the primary contract or any related software agreement that the Offeror wishes the State to sign, and those issues are not negotiable. Offerors who are not able to legally enter into a contract under those conditions should not submit a bid.

9. Definitions

The following definitions are for terms that appear both in the body of this RFP and in the Functional and Technical requirements in Appendix A.

Term	Definition
AABC	Alabama Alcohol Beverage Control Board.
ABC	See "AABC".
ABC Code	A unique identification code assigned to each product by the AABC.
AI	See "Alabama Interactive".
Alabama Interactive (AI)	A third party organization that provides many services to the State of Alabama. Many of the web interfaces utilized in the AABC system are designed and maintained by Alabama Interactive. See http://www.alabama.gov/content/egovernment-initiative .
Batch	A term often used to denote a grouping of items worked on together in a computer system.
Business rule	A policy of a business or organization expressed in an "if, then" statement (for example, if a licensee renews their license past October 20 of any year, a late fee is assessed).
CER	Current Environment Report. A report describing the current business processes and technical environment of the AABC.
Class A Solution Issue	Defects affecting a critical or frequently performed business function for which no workaround exists.
Class B Solution Issue	Defects affecting a non-critical, yet frequently executed business function. If no suitable fix or work around exists, major severity defects should be reclassified as severe priority defects.
Class C Solution Issue	Defects affecting a minor or infrequently performed business function. This would encompass defects for reports where cosmetic fixes and layouts were not the issue. If no suitable fix or workaround exists, low severity defects should be reclassified as medium priority defects.
Class D Solution Issue	Other inconveniences such as cosmetic fixes, layout of screen controls, and misspellings that do not affect system functionality or place an operational burden on personnel, encompassing layout and misspellings on reports.
CPU	Central Processing Unit.
FTP	File Transfer Protocol
License and Compliance Division	Geographic division of the Licensing division of AABC. There are seven License and Compliance Divisions around the State.
License fees	Fees paid by licensees for the privilege of selling alcohol in the State of Alabama.
Licensee	An entity authorized by the AABC to manufacture, brew, distill, import, distribute,

Term	Definition
	sell, store or dispense alcoholic beverages within Alabama.
Licensing	The Licensing division of the AABC is responsible for enforcing alcoholic beverage laws in the State. They are also responsible for issuing licenses to sell wine, beer, and spirits in the State. Alabama has both wet and dry municipalities and counties and the Licensing division is responsible for issuing licenses according to those designations.
NABCA	National Alcohol Beverage Control Association - the association for alcohol control states.
NAVision	The Microsoft ERP solution currently used by the AABC.
ODBC	Open Database Connectivity.
OS	Operating System.
Payment Card	A credit or debit card.
Payment Card Industry	Also known as PCI. PCI is used to refer to a set of compliance standards put forth by an organization comprised of major payment cards. PCI compliance standards regulate the manner in which payment cards may be accepted such that personally identifying information associated with a payment card is protected.
PDF	Portable Document File, or a document format used with Adobe reader.
PM	Project Manager
Point of sale system	This refers specifically to the register system at the store level which utilizes SAP POS software, and not to NAVision which is the ERP at the central office.
POS	See "Point of Sale system".
Register	Denotes an individual POS station.
RFP	Request for Proposal
RTM	Requirements Traceability Matrix
RVP	Responsible Vendor Program. An AABC compliance program to encourage knowledgeable licensees that provide alcohol in a responsible way to consumers.
SAP POS	SAP Point of Sale, the current AABC point of sale software system operating in state owned stores.
SOW	Scope of Work
STAARS	State of Alabama Accounting and Resource System
Tag	Keyword or term used in a document or file that allows the document to be located through a search or browse function.
TSYS	Total System Services, Inc., the current payment card processor for the AABC.
UAT	User Acceptance Testing
USB	Universal Service Bus

10. List of Appendices

The following is a list of appendices to this RFP. Appendices are separate files.

Appendix	Title	Notes
A	Functional and Technical Requirements	Offerors to complete this Appendix Electronically. Paper copies are not requested and will not be considered.
B	Cost Tabulation Table	Offerors to complete this Appendix Electronically and in hard copy as part of Tab I.
C	RFP Submission Checklist	To be completed and submitted with Offeror response.
D	Current Server Inventory and Technical Details	Not to be completed and returned. This appendix is a list of the current server inventory and other technical information.
E	Certificate Of Compliance With The Beason-Hammon Alabama Taxpayer And Citizen Protection Act (E-Verify Act)	To be completed, signed, and submitted as Tab T of the proposal.
F	Interfaces List	Not to be completed and returned. This list provides details of current interfaces which will need to be addressed in the solution.
G	Current Environment Report	Not to be completed. This is a report describing the business processes and technical environment of the AABC. This report is 2 years old and there have been some changes. The report is intended to give bidders a better understanding of the business operations of AABC.
H	Procedures Manual	Not to be completed. This is a report describing the procedures of AABC. The selected vendor will update this manual during the project.
I	Immigration Form	To be completed, signed, and submitted as Tab S of the proposal.